ac:020/030
022
01
02
03
04
05
10
20
30
40
50

ORIGINAL

RECEIVED

03 NOV 20 AM 11: 21

FEDERAL MARITIME COMM

Form FMC-2 UNITED STATES GOVERNMENT
(Rev 07.89)

FEDERAL MARITIME COMMISSION

Memorandum

TO   : Bryant L. VanBrakle, Secretary   DATE: November 18, 2003

FROM   : Rebecca F. Dye, Commissioner

SUBJECT : Petition No. P8-03 - <u>Petition of BAX Global, Inc., for</u>
<u>Rulemaking</u>

        On October 14, 2003, I met with Ms. Therese Groff, General
Counsel for BAX Global, Mr. Tom Donahue, Vice President of Ocean
Services for BAX Global, Ms. Mary Jo Flanagan, General Counsel of the
Brink's Company, as well as Mr. Ed Sheppard, Mr. Richard Bank, and
Mr. Ashley Craig of the law firm Thompson Coburn at their request to
receive their views on BAX Global's petition to the Federal Maritime
Commission. The petition requests that the Commission initiate a   .
rulemaking to permit BAX Global, a non-vessel-operating common
carrier, and other similarly situated entities to enter confidential
service contracts as "ocean common carriers" with their shipper-
clients for the ocean transportation of cargo.

        Ms. Flanagan, Ms. Groff, and Mr. Donahue discussed their
business operations generally and explained that BAX Global is a
subsidiary of the Brink's Company, a global armored car and security
business. BAX Global is a supply chain management company providing
its customers with complete inventory and transportation services.
Mr. Donehue reported that BAX's customers want to sign confidential
service contracts with his company to prevent their competitors from
knowing their ocean shipping rates. BAX Global also wants to operate
on a "level playing field" that would allow their company to offer its
customers complete transportation contracts including the air, rail,
truck and ocean segments of the transportation. Currently, BAX cannot
include its ocean transportation rates in its contracts since the
Shipping Act of 1984, as amended by the Ocean Shipping Reform Act of
1998, requires that these rates be published. The petitioners also
stated that the cost of tariff publishing must be passed on to their
customers.